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Buy Rated: Safe-T group Ltd. (NASDAQ: SFET)

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The Next Level of Cyber Security – The Secure Dome, Launching with a Buy Rating and \$6.0 Target

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With news of industrial hacking, ransomware, and a more significant percentage of people now working remotely, the need for more robust Cyber security has never been greater. Safe-T group has answers, including ZoneZero – zero-trust network access, combined with expanding IP Proxy services representing state of the art security for corporations and consumers at reasonable pricing.

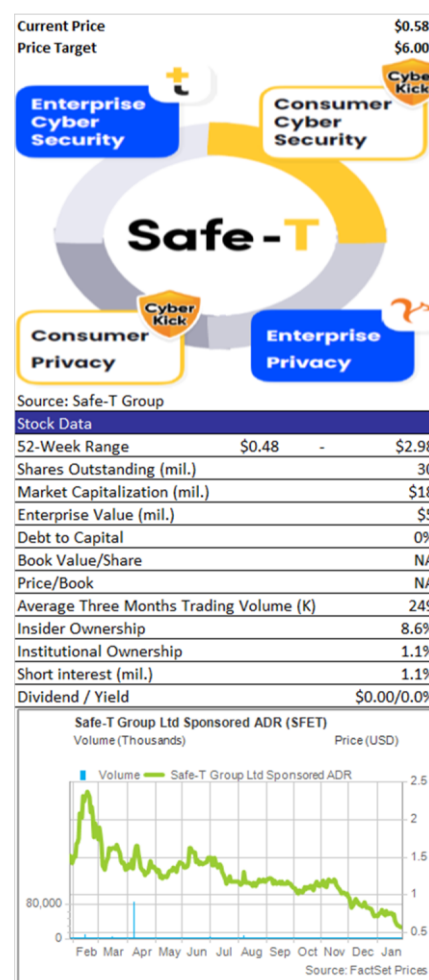
Safe-T Group Ltd. When corporations and individuals face the highest level of online threats that have ever existed, Safe-T offers an advanced level of premium protection available for both the Consumer and Enterprise markets. A subscription service model provides real-time security from ransomware to cyber-snooping. The company's greatest asset is its intellectual capital and flexibility to pursue growth where it sees the opportunity, combined with a marketing machine that can convert invested dollars to market share, translating into a loyal subscriber base.

Consumer Cyber Security -CyberKick: Safe-T acquired CyberKick (July 2021), providing the company access to online privacy solutions for consumers allowing data encryption – safe internet searching. CyberKick's iShield is an advanced real-time subscription-based cybersecurity product designed to protect against ransomware attacks, Viruses, Phishing attacks, and emerging online threats (such as your PC's camera being hijacked). The company has approximately 15k subscribers, and that number is growing steadily. Safe-T has established proof of concept in the market where the opportunity for a premium product has never been more vital.

ZoneZero - Trust No-One: Secure Remote VPN. Zero trust is a security model focused on enforcing strict access controls and NOT trusting others by default, even those already within the network's Perimeter. The model is designed so that rigorous identity verification is required for any individual and device attempting to access resources on a private network. Multiple products exist in the ZoneZero family, including ZoneZero SDP (software-defined Perimeter), ZoneZero (Multi-Factor Authentication), and ZoneZero VPN, which offers true Enterprise Privacy through a fast, secure network, all accomplished without third party computers.

Valuation: We provide a model out to 2030, but in reality, we see growth over the next two years as critical for the company to establish itself as a viable niche market premium alternative to the generic products available today. We use a 30% risk rate in our Free Cash Flow to the Firm (FCFF), discounted EPS (dEPS), and Sum-of-the-Parts (SOP) models, which are then equal-weighted and averaged and rounded to the nearest whole number to derive our 12-month projected price target of \$6.0.

Risks to our thesis include: (1) IP; (2) Dependence on partners; (3) Development of the target markets (4) Acquisition and Integration (5) Intellectual Capital (6) Foreign Company (Israel) (7) Dilution Risks. We review these risks in the Risks Analysis section of this report.



Company Description: Safe-T Group Ltd. is a premium provider of protection software for both consumers and enterprise clients. The company has built an impressive subscriber base in both focus areas. We see subscribers as reoccurring revenue, and as the base builds, we see it as creating a platform value for both the company and its investors. The company's products span several areas of focus, including Cyber and IP Proxy Network (IPPN), with offerings to both the consumer and enterprise markets. The company has accomplished its product offerings in part through smart acquisitions. For example, in 2019, the company acquired "NetNut" for \$9.7 million (stock and cash), which enabled the company to offer IP proxy solutions to enterprise clients. In 2020, the company acquired "ChiCooked" for \$1.1 million, and in 2021, the company acquired CyberKick for \$9.3 million (cash and equity), which set the company up in the online privacy/cybersecurity solutions business. Going forward, we now see a company that has competitive high-end products, strong intellectual capital, and a loyal subscriber base that is growing. We see a company today that has the marketing machine tuned so that dollars in equal subscribers, which represent reoccurring revenues. The key factor for the company today, as we see things, is its ability to invest capital into marketing and building revenues. As revenues build, we expect they become the driver for the stock's valuation, which sets the stage for greater investment, which drives revenue growth, continuing the cycle.

The Cyber arm product - ZoneZero. This product represents an on-premises solution and is empowered by reverse-access technology and proprietary routing technology. It is designed to mitigate attacks on enterprises' business-critical services and sensitive data while ensuring uninterrupted business continuity. Organizations' access use cases, whether into the organization or from the organization out to the Internet, are secured according to the "validate first, access later" zero-trust philosophy. This means that **no one is trusted by default from inside or outside the network, and verification is required from everyone trying to gain access to resources on the network or in the cloud.** ZoneZero solutions reduce an organization's attack surface and improve its ability to defend against modern cyber threats.

The IP Proxy Network (IPPN) arm offers an exclusive global proxy network solution based on proprietary proxy traffic optimization and routing technology. It is built on partnership agreements with tens of Internet Service Providers, or ISPs. The IPPN solutions enable access to the Internet using the ISP network through millions of end-points globally, as well as functionality, security, privacy, and multiple business use cases, including large-scale data mining and analysis. With the IPPN solutions, organizations can obtain access to undiscovered data from non-traditional data sources (like social media) and gain additional data-driven information that provides valuable insights with respect to predictive capabilities or behaviors, thus assisting ongoing business management operation and decision making.

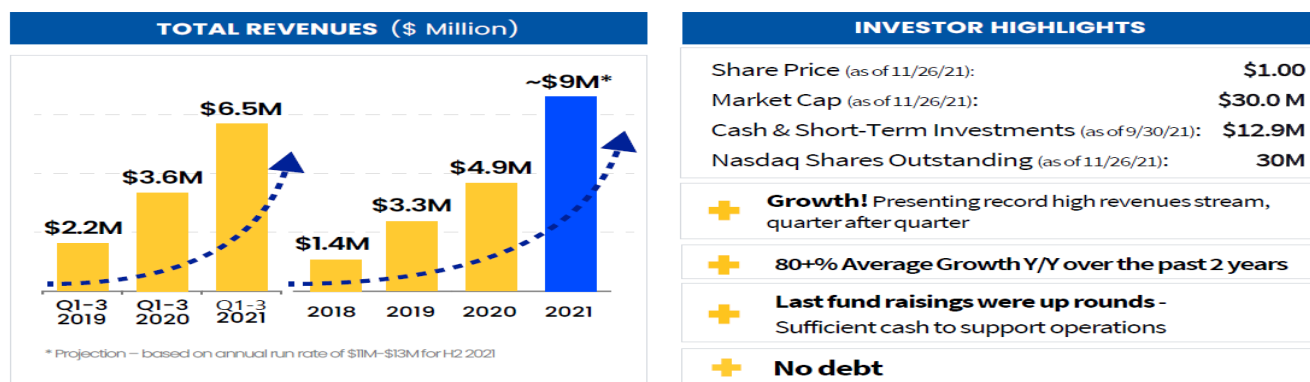
Financials: In February of last year, the company raised \$9.75 million through the sale of 4.615 million ADSs at \$2.00 each. The company raised approximately \$14.3 million (combined) in two equity offerings at \$1.10 and \$1.40 per ADS that each also included pre-funded warrants. The company has about 30 million shares outstanding. As of the last reported quarter, the company has approximately \$13M in cash (3Q21) and \$3.4M in top-line revenues, which translated into an operating loss of \$4.3M. The company recently guided to full-year revenues (2021) exceeding \$10M.

Most Recent Quarter: MRR (monthly recurring revenues) for the company's privacy solution for Apple mobile devices via the App Store is now serving more than 15k subscribers worldwide. The Company's new privacy solution launched early last year has averaged revenue growth of over 50%, quarter over quarter. The company is working to increase its global marketing this year and expand its product offerings to include Android mobile devices.

Guidance: The company expects to report revenues for the quarter ended December 31, 2021, of approximately \$3.6 million, an increase of over 170% compared to revenue of \$1.3 million reported for the quarter ended December 31, 2020. Revenues for the 12 months ended December 31, 2021, are expected to exceed \$10 million, an increase of over 100% compared to the \$4.8 million reported for the fiscal year 2020.

How Should we forecast future revenues? The company has a diverse suite of products that target both the enterprise (business to business and or government) markets as well as the consumer marketplace. Over the past year, the consumer market appetite for premium products compared to a one size fits all generic products (such as Norton) has grown substantially. We believe as more professionals and students work remotely; security becomes paramount. Predicting the growth of these segments with accuracy is impossible. However, we do see a strong machine in Safe-T; that is, the ability of the company to convert marketing effort and dollars into subscribers. The company is working to strike a balance between capital management and growth. The company's strategy is to maintain high product quality while building its sales effort across its multiple product areas. Recent acquisitions such as CyberKick combined with the company's internally developed products (ZoneZero and IP Proxy) should be revenue generators in the next two years. We look for revenue growth from the base of \$10M projected for last year, which we forecast could grow to \$35M by 2024 and by 2030 to \$100M plus. We forecast 20-30% revenue growth, albeit from a small base this year and next. We expect to see the company maximize its footprint in the marketplace and invest resources back into marketing. So, we expect expenses to rise with revenues as the company spends capital to create name brand recognition as well as product development and support. Recognition of rising revenues, in our opinion, becomes the driver of the stock versus bottom-line profitability. This methodology suggests the company's fair value is significantly greater than its current enterprise value, which is close to zero.

Exhibit 1. Safe-T Group Snap-Shot – Revenue Growth is the Performance Driver for Investors



Source: Safe-T Group Ltd. Labs, Inc.

The Company's Products and the Competitive Landscape

Consumer Cyber Security: iShield: This product is designed to block access to known dangerous websites and links with the goal of preventing ransomware, phishing, and data theft attacks. The software works by monitoring the user's browsing, preventing access to known malicious websites. iShield is focused on stopping threats at the "gateway" level. Typical cybersecurity software tends to address and eliminate threats once they have already infected your computer. Safe-T's solutions focus on eliminating the threat before the threat has infected its target (your computer) with malware, phishing attempts, ransomware, etc. This allows users to be protected before they are compromised.

What are the key product advantages? The product is rapidly updated and supported with a crowdsourced database which is pushed to all subscribers; The product effectively prevents accessing infected sites, which differentiates versus traditional antivirus software; The browser extension software is designed to have minimal impact on system performance. Who is the competition? Antivirus companies such as Symantec, McAfee, Norton, AVAST

Consumer Privacy: The consumer privacy solution's goal is to provide a secure, private connection to any website. The software accomplishes this by providing users with access to multiple anonymous IP addresses across multiple intermediary proxy servers. The company with a subscription model offers three IP proxy products, which include rotating residential proxies, static residential proxies, and data center proxies. The company has a direct salesforce located in the US, Europe, and of course, Israel. Efforts in China are beginning too. **What are the key advantages?** Speed. The product ranks in the top five in the market. The product is stable and boasts 100% "uptime" with an easy user interface for users. **Competition?** KAPE Technologies, ExpressVPN, NordVPN, and others.

ZoneZero (Enterprise: business to business/business to government): ZoneZero: Provides Zero-Trust Network Access (ZTNA) and Identity-based Zero Trust to all internal resources, controlling access from outside or inside the enterprise. The product provides users with controlled and secured access to any internal resource and end-point in a secure environment. ZoneZero platform is the only available zero-trust network access product that integrates easily with existing virtual private networks (VPNs), or it can replace the pre-existing protection. The goal is to allow employees or contractors to work remotely with or without a VPN at the same time, also allowing in-house staff to safely and securely access the network with full protection against attacks. The key to ZoneZero protection is controlling a user's access based on their identity and/or role within the organization. **Advantages:** The product is easily added to enterprise networks without interfering with the existing infrastructure. ZoneZero can integrate with all forms of MFA (Multi-factor Authentication), the only solution that works for both inside the enterprise and outside, with or without the existing remote access solutions such as VPN. **Competitors:** Zscaler, Akamai, SilverFort

Enterprise Privacy Solutions: This is a fast, hybrid IP proxy network solution allowing organizations to browse the Internet while hiding the true source location of the browsing company and while simulating true user traffic. The service allows collecting accurate, transparent & increasingly personal data from public online sources for use in business analytics, marketing, or law enforcement without exposing their IP and identity. In essence, the company's technology allows the reverse movement of communication and information while reducing the need to store data in the DMZ (the space between the Internet and the LAN).

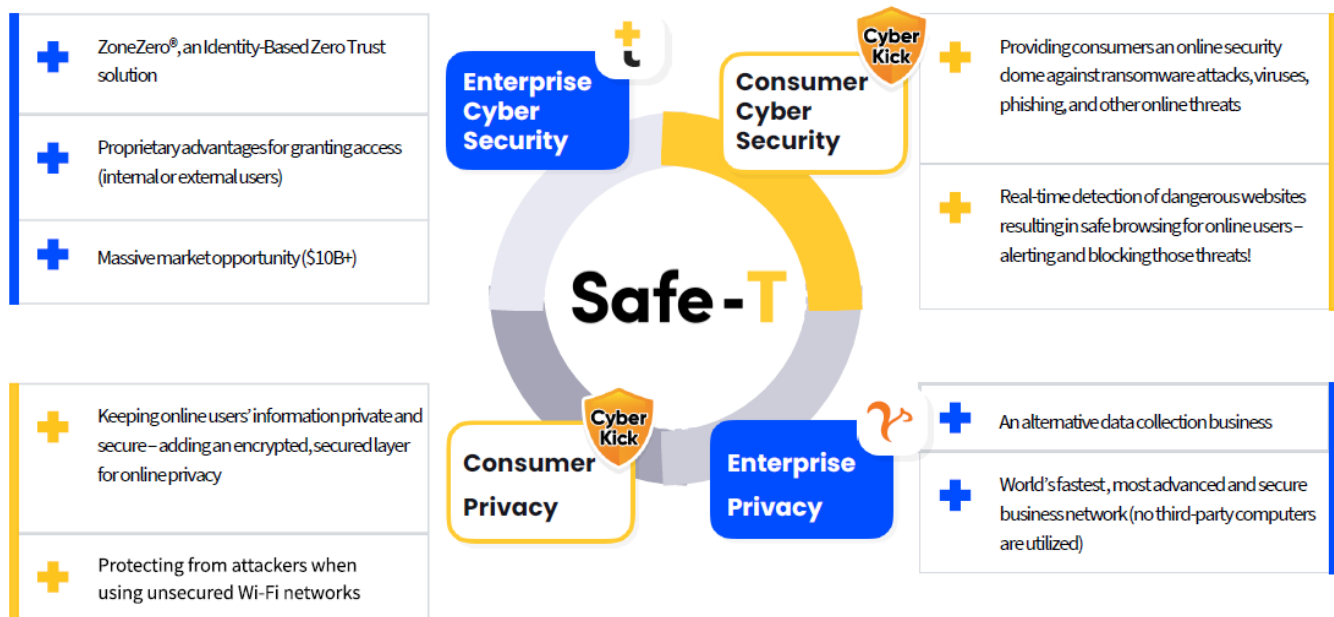
DCaaS (Data Collection Service) Solution - Artificial Intelligence and Machine Learning algorithms are enabling automated data collection of publicly available online data for use in business analytics, marketing, and other uses. **Advantages:** Speed, a large number of company-operated servers located around the world. **Competitors:** Luminati/Bright Data, Oxylabs

Exhibit 2. Safe-T Group: Product Offerings & Corporate Structure



Source: Safe-T Group Ltd.

Exhibit 3. Safe-T Group: Product Offerings



Source: Safe-T Group Ltd.

Exhibit 4. Cyber Kick: Privacy Solutions for Consumers in a Subscription-based Model

Main features:

- + Encrypting users' data while browsing on sensitive websites i.e. banking sites, emails etc.
- + Protecting users' privacy and browsing activity from hackers and network listeners
- + Defending users from hackers when using unsecured Wi-Fi networks
- + Keeping users' information safe from third parties
- + Generating ultra fast secured tunnel for each user

Business Model:

- + Subscription-based (Monthly/Yearly)

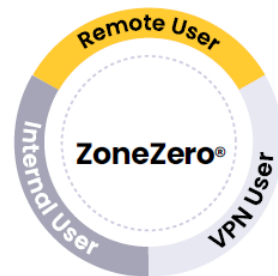
Source: Safe-T Group Ltd.

Exhibit 5. Enterprise Cyber Solutions

- + ZoneZero®, an Identity-Based Zero Trust solution, providing secure access and multi-factor authentication (MFA) for on-premise and cloud environments
- + The **ONLY** Identity-Based Zero Trust that utilizes the organization's legacy/existing infrastructure, while allowing secure access **across any type of user**
 - External non-VPN users (contractors, WFH)
 - VPN users (employees)
 - Internal network users (employees, contractors)

- + We offer the only solution designed to easily connect to current infrastructure & dramatically reduce the attack surface, blocking identity-based attacks
- + Patented, outbound based technology


- + Unlike standard identity and access solutions, we control access according to the user's identity and role





“ Validate First,
Access Later ”


▶ Watch a movie

Sample Customers



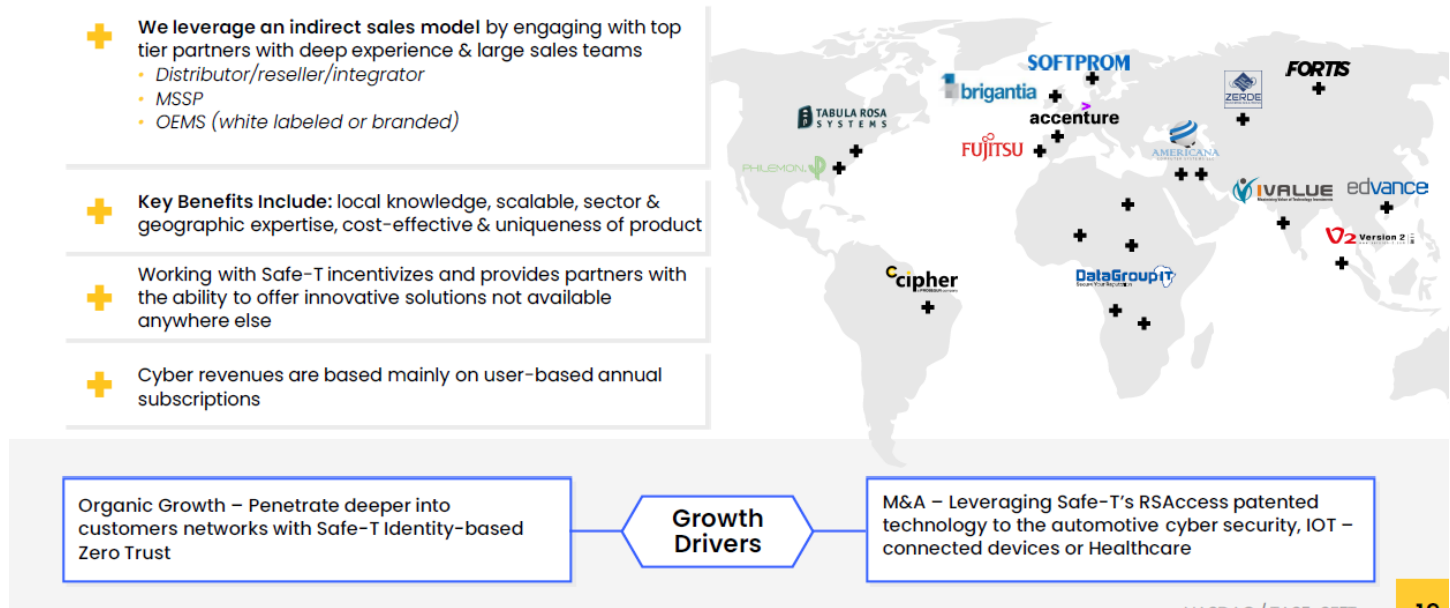






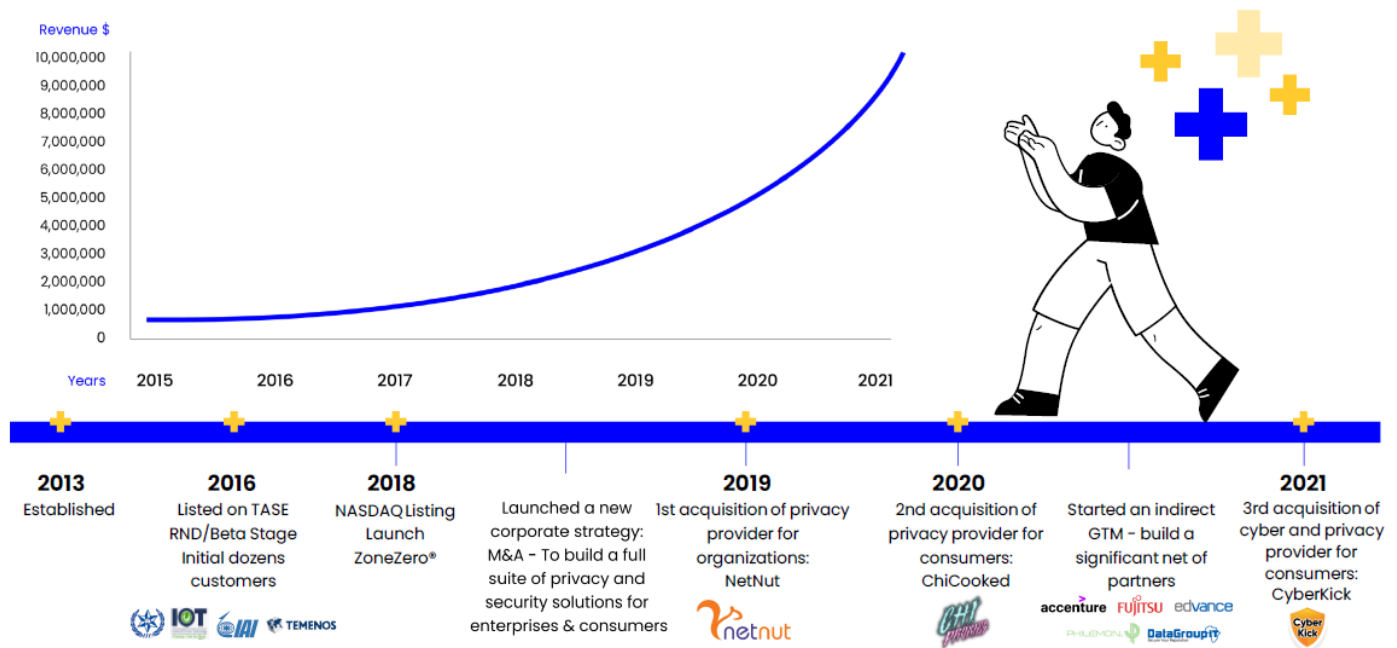
Source: Safe-T Group Ltd.

Exhibit 6. Enterprise Security Go to the Market Strategy – US, Europe, Israel, and now China too.






Source: Safe-T Group Ltd.

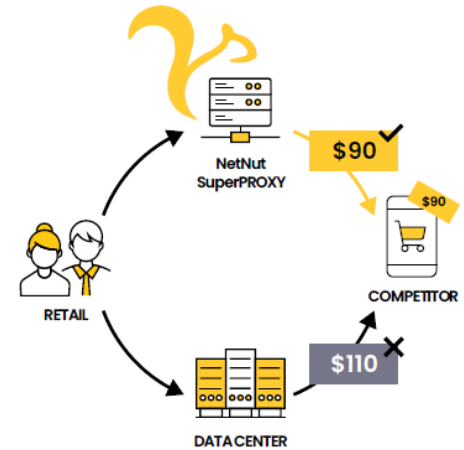
Exhibit 7. The Historical Timeline



Source: Safe-T Group Ltd.

Exhibit 8. The Need for Enterprise Privacy Solutions







-  Websites increasingly **change their displayed information** based on user IP address, location & demographic attributes
-  To conduct competitor analysis, price comparisons & data extraction companies need to access websites as a "simulated user" to capture the **REAL & ACCURATE** information
-  To surf the internet while **maintaining anonymity**, enterprise need to mask their IP address



Source: Safe-T Group Ltd.

Exhibit 9. The Need for Enterprise Privacy Solution

Our enterprise privacy solution is based on a business IP proxy platform, that:

-  Allows clients to collect **accurate, transparent & increasingly personal data** from public online sources
-  **Completely hides enterprises** from the internet, by modifying IP addresses
-  Is the world's **fastest and most advanced/secured** business proxy network (no third-party computers are utilized)
-  Utilizes a **hybrid network** ensuring security, quality, stability, speed & privacy
-  Has all servers controlled internally (only company with **strategic worldwide ISP provider relationship**)
-  Has revenues which are composed of short-term packages of bandwidth

\$200M Acquisition of IP Proxy Business

EMK acquired Luminati for 8x Revenues (world's largest IP proxy provider)

EMK Capital
Enterprise Management Knowledge

 **Luminati**

+20M

IP Addresses Available

+50

Countries Worldwide

NASDAQ / TASE: SFET

Source: Safe-T Group Ltd.

Valuation: Our valuation for Safe-T Group Ltd. is based on revenue projections which are difficult with any accuracy to forecast. As a result, we use a 30% risk rate in our valuation models: free cash flow to the Firm (FCFF), discounted EPS (dEPS), and Sum-of-the-Parts (SOP). We also prepared a comparable company table, which by every metric, suggests Safe-T is undervalued. We select 30% for micro-capitalized growth companies, and this represents our highest risk rate. The result of these three models is then equal-weighted averaged and rounded to the nearest whole number to provide a 12-month target price.

Exhibit 10. Free Cash Flow Model

Average	\$	6
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Price Target	\$	6
Year		2022

DCF Valuation Using FCF (min):

units ('000)	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E
EBIT	(9,305)	(7,301)	(3,453)	5,498	14,999	31,326	40,757	60,442	73,228	72,253
Tax Rate	0%	0%	0%	10%	20%	30%	38%	38%	38%	38%
EBIT(1-t)	(9,305)	(7,301)	(3,453)	4,948	11,999	21,928	25,269	37,474	45,401	44,797
CapEx	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-
Change in NWC	-	-	-	-	-	-	-	-	-	-
FCF	(9,305)	(7,301)	(3,453)	4,948	11,999	21,928	25,269	37,474	45,401	44,797
PV of FCF	(6,118)	(4,174)	(1,717)	2,139	4,511	7,168	12,563	16,201	17,068	14,644
Discount Rate	15%									
Long Term Growth Rate	1%									
Terminal Cash Flow	323,180									
Terminal Value YE2030	139,719									
NPV	202,005									
NPV-Debt	0									
Shares out (thousands)	33,994									
NPV Per Share	\$ 6									

Source: Dawson James estimates

Exhibit 11. Discounted EPS Model

Current Year	2022
Year of EPS	2030
Earnings Multiple	15
Discount Factor	15%
Selected Year EPS	\$ 1.32
NPV	\$ 6.00

Source: Dawson James estimates.

		Discount Rate and Earnings Multiple Varies, Year is Constant					
		2030 EPS					
		5%	10%	15%	20%	25%	30%
Earnings Multiple	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$ -
	5	\$4.00	\$3.00	\$2.00	\$2.00	\$1.00	\$ 1.00
	10	\$9.00	\$6.00	\$4.00	\$3.00	\$2.00	\$ 2.00
	15	\$13.00	\$9.00	\$6.00	\$5.00	\$3.00	\$ 2.00
	20	\$18.00	\$12.00	\$9.00	\$6.00	\$4.00	\$ 3.00
	25	\$22.00	\$15.00	\$11.00	\$8.00	\$6.00	\$ 4.00
	30	\$27.00	\$18.00	\$13.00	\$9.00	\$7.00	\$ 5.00
	35	\$31.00	\$22.00	\$15.00	\$11.00	\$8.00	\$ 6.00

Source: Dawson James estimates

Exhibit 12. Sum-of-the-Parts Model

Safe-T	LT Gr	Discount Rate	Yrs. to Mkt	% Success	Peak Sales MM's	Term Val
Consumer Product Revenues	1%	30%	5	90%	\$150	\$517
NPV						\$3.13
Enterprise Revenues	1%	30%	5	90%	\$75	\$259
NPV						\$1.57
NPV						\$0.00
Net Margin						85%
MM Shrs OS (2030E)						34
Total						\$5

Source: Dawson James estimates

Exhibit 13. Comparable Analysis

Company Name	Ticker	Share Price	Market Cap (\$MM)	Cash (\$MM)	Enterprise Value (\$MM)	Last QTR's Burn Rate	QTR's of Cash Remaining	R&D (\$MM)	SG&A (\$MM)	Shares Outstanding (MM)	Revenue	EV / Sales	Net Debt
Cloudflare	NET	\$94.83	\$25,971	\$619	\$25,912	(\$107)	6	\$47	\$161	274	431	51	(606)
CrowdStrike	CRWD	\$178.53	\$37,171	\$104	\$37,439	(\$50)	2	\$98	\$317	208	874	52	(1,140)
Fortinet	FTNT	\$294.80	\$48,200	\$1,852	\$47,525	\$163	11	\$108	\$486	163	2,594	9	(1,784)
Okta	OKTA	\$195.64	\$29,058	\$378	\$27,830	(\$221)	2	\$131	\$430	149	835	39	(592)
Palo Alto Networks	PANW	\$511.62	\$50,480	\$2,277	\$50,467	(\$104)	22	\$340	\$864	99	4,256	9	828
Qualys	QLYS	\$126.59	\$4,915	\$146	\$4,640	\$28	5	\$22	\$51	39	362	13	(299)
Zscaler	ZS	\$254.44	\$35,642	\$372	\$32,643	(\$91)	4	\$65	\$253	140	673	47	(538)
Average (s)	~X	\$234	\$32,633	\$896	\$32,302	(\$49)	18	124	385	155	\$1,559	\$29	(\$599)
Safe-T	SFET	\$0.65	\$22	\$7	\$10	\$3	2	\$1	\$6	1	5	(2)	(10)

Source: Data is from FactSet as of 01/27/2022

Risks to our thesis include: (1) IP; (2) Dependence on OEM suppliers; (3) Development of the target markets (4) Acquisition and Integration (5) Intellectual Capital (6) Foreign Company (Israel) (7) Dilution Risks. In addition, some of the additional risks as outlined in company filings includes:

- If the IT security and IPPN industries do not continue to develop as is anticipated, the company's sales may not grow as forecast;
- Research and development efforts may not produce successful nor competitive products or enhancements to existing products. This could impact revenues;
- New Customer acquisition – The company's growth is dependent on the acquisition of new customers, and the sale of additional products and services to existing customers cannot be assured.
- The company itself faces risks associated with cyber attackers or other data thieves. A successful attack could hurt public perception of the company's products, and services could be harmed;
- The company depends on partners, channel partners, including systems integrators, distributors, and value-added resellers, to generate a significant portion of their revenue. If the company fails to maintain successful relationships with their OEM and channel partners, or if its channel partners fail to perform, the company's ability to market, sell and distribute its solutions could be limited, and its business, financial position, and operations could suffer.
- The company may acquire other businesses, which could require significant management attention, disrupt the company's core business, dilute shareholder value, and adversely affect results of operations;
- Safe-T Group faces business disruption and related risks resulting from COVID-19, which could impact their business and the results of their operations.
- The company must maintain effective patent rights for its products. Failure to do so could impact the ability to compete, i.e.; If the company is unable to protect the confidentiality of its trade secrets or know-how, such proprietary information may be used to compete against the company.
- If the company is unable to maintain effective proprietary rights for its products, it may not be able to compete effectively in its markets. If its unregistered trademarks and trade names are not adequately protected, it may not be able to build name recognition in the target markets of interest, and the business may be affected. Trademarks or trade names may be challenged, infringed, circumvented, or declared generic or determined to be infringing on other marks.
- The intellectual property rights of third parties could adversely affect the company's ability to commercialize its products, and the company might be required to litigate or obtain licenses from third parties in order to develop or market its product candidates. Such litigation or licenses could be costly or not available on commercially reasonable terms.

Exhibit 14. Income Statement

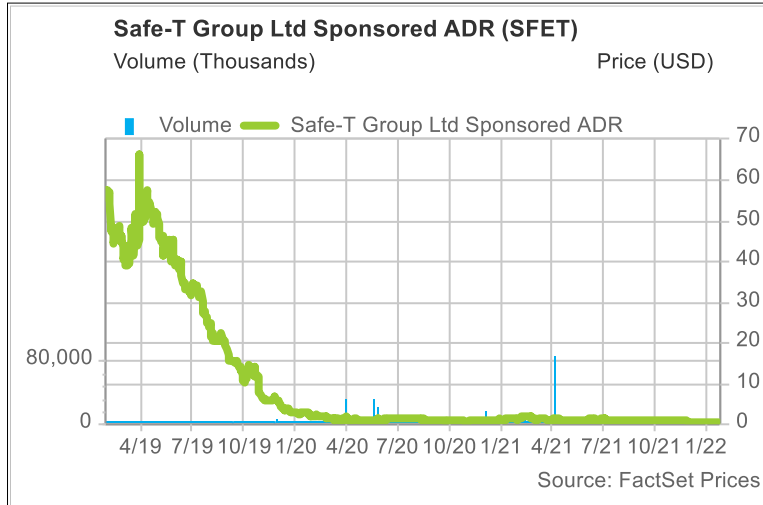
Safe-T: Income Statement (\$000)																			
YE December	1Q21A	2Q21A	3Q21A	4Q21E	2021E	1Q22E	2Q22E	3Q22E	4Q22E	2022E	2023E	2024E		2025E	2026E	2027E	2028E	2029E	2030E
Product Revenues (Consumer & Enterprises)	1,347	1,784	3,377	3,600	10,108	3,300	3,350	3,500	3,750	13,900	20,850	35,000		50,000	75,000	90,000	120,000	140,000	140,000
Total Product Revenues	1,347	1,784	3,377	3,600	10,108	3,300	3,350	3,500	3,750	13,900	20,433	34,300		49,000	73,500	88,200	117,600	137,200	137,200
Product Sales & Royalties & Milestones	1,347	1,784	3,377	3,600	10,108	3,300	3,350	3,500	3,750	13,900	20,433	34,300		49,000	73,500	88,200	117,600	137,200	137,200
Expenses																			
Cost of goods sold	904	979	1,594	1,699	5,176	990	1,005	1,050	1,125	4,170	6,130	10,290		14,700	22,050	26,460	35,280	41,160	41,160
Research and Development	702	781	1,388	1,400	4,271	1,031	1,076	1,121	1,166	4,485	4,709	4,944		5,191	5,451	5,724	6,010	6,310	6,626
Selling & Marketing	1,122	1,308	3,109	1,200	6,739	1,612	1,682	1,752	1,822	7,009	7,289	7,580		7,884	8,199	8,527	8,868	9,223	9,592
General & Administrative	1,100	1,488	1,671	1,400	5,659	1,354	1,412	1,471	1,530	5,885	6,121	6,366		6,620	6,885	7,160	7,447	7,745	8,055
Total expenses	3,828	4,122	7,762	4,299	20,011	4,987	5,176	5,395	5,643	21,548	24,248	29,180		34,395	42,585	47,871	57,605	64,438	64,947
Operating income (Loss)	(2,481)	(2,338)	(4,385)	(699,260)	(9,903)	(1,687)	(1,826)	(1,895)	(1,893)	(7,301)	(3,453)	5,498		14,999	31,326	40,757	60,442	73,228	72,253
Financial Income (expense)	(70)	(70)	585		445														
Tax Benefit	38	38	77		153														
Total other income	(32)	(32)	662	-	598	-	-	-	-	0	0	0		-	-	-	-	-	-
Pretax income	(2,513)	(2,370)	(3,723)	(699,260)	(9,305)	(1,687)	(1,826)	(1,895)	(1,893)	(7,301)	(3,453)	5,498		14,999	31,326	40,757	60,442	73,228	72,253
Income Tax Benefit (Provision)	-	-	-	-	-	-	-	-	-	-	-	550		3,000	9,398	15,488	22,968	27,827	27,456
Tax Rate	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	10%		20%	30%	38%	38%	38%	38%
GAAP Net Income (loss)	(2,513)	(2,370)	(3,723)	(699,260)	(9,305)	(1,687)	(1,826)	(1,895)	(1,893)	(7,301)	(3,453)	4,948		11,999	21,928	25,269	37,474	45,401	44,797
Deemed Dividend on Preferred Stock																			
GAAP-EPS	(0.10)	(0.09)	(0.12)	(0.02)	(0.34)	(0.06)	(0.06)	(0.06)	(0.06)	(0.24)	(0.11)	0.16		0.38	0.68	0.77	1.13	1.35	1.32
GAAP EPS (dil)	(0.10)	(0.09)	(0.12)	(0.02)	(0.34)	(0.06)	(0.06)	(0.06)	(0.06)	(0.24)	(0.11)	0.16		0.38	0.68	0.77	1.13	1.35	1.32
Weighted shares basic	25,893	25,893	30,000	30,300	28,022	30,603	30,634	30,664	30,695	30,649	31,048	31,453		31,863	32,278	32,699	33,125	33,557	33,994
Weighted shares dil	25,893	25,893	30,000	30,300	28,022	30,603	30,634	30,664	30,695	30,649	31,048	31,453		31,863	32,278	32,699	33,125	33,557	33,994

Source: Dawson James estimates, company reports

Companies mentioned in this report:

Important Disclosures:

Price Chart:



Price target and rating changes over the past three years:

Initiated – Buy – January 31, 2022 – Price Target \$6.0

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- 1) **Buy:** The analyst believes the price of the stock will appreciate and produce a total return of at least 20% over the next 12-18 months.
- 2) **Neutral:** The analyst believes the price of the stock is fairly valued for the next 12-18 months.
- 3) **Sell:** The analyst believes the price of the stock will decline by at least 20% over the next 12-18 months and should be sold.

The following chart reflects the range of current research report ratings for all companies, followed by the analysts of the Firm. The chart also reflects the research report ratings relating to those companies for which the Firm has performed investment banking services.

Current as of... 31-Jan-22

	Company Coverage		Investment Banking	
Ratings Distribution	# of Companies	% of Total	# of Companies	% of Totals
Market Outperform (Buy)	29	73%	6	21%
Market Perform (Neutral)	11	28%	0	0%
Market Underperform (Sell)	0	0%	0	0%
Total	40	100%	6	15%

Analyst Certification:

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